IN THE CLAIMS:

This listing of claims will replace all prior versions and listings of claims in the application.

1.   (Currently Amended) A system for prioritizing <u>and balancing</u> multiple audio sources <u>in a single combined input</u> in a handheld device comprising:

     a) a first audio signal source coupled to a first variable attenuator/amplifier;

     b) a second audio signal source coupled to a second variable attenuator/amplifier;

     c) a priority logic unit, for assigning priority levels as a function of a source of said first audio signal, a source of said second audio signal and a nature of an output device for audibly outputting said first audio signal and said second audio signal, coupled to said source of said first audio signal and said source of said second audio signal, and also coupled to said first variable attenuator/amplifier;

     d) a mixer coupled to said first variable attenuator/amplifier and to said second variable attenuator/amplifier; and

     e) said output device connected to said mixer.

2.   (Previously Presented)   A system for prioritizing multiple audio sources in a handheld device of claim 1 wherein said first audio signal is generated by a signal event source and said second audio signal is generated by a continuous audio source.

3.   (Previously Presented)   A system for prioritizing multiple audio sources in a handheld device of claim 1 wherein said handheld device comprises more than two sources of audio signals.

4.   (Previously Presented)   A system for prioritizing multiple audio sources in a handheld device of claim 1 wherein said first audio signal is generated by a first continuous audio source and said second audio signal is generated by a first continuous audio source.

5.   (Previously Presented)   A system for prioritizing multiple audio sources in a handheld device of claim 1 wherein said first audio signal is generated by a first signal event source and said second audio signal is generated by a second signal event source.

6.   (Previously Presented)   A system for prioritizing multiple audio sources in a handheld device of claim 1 wherein said priority logic unit comprises an analog to digital conversion capability.

7.   (Previously Presented)   A system for prioritizing multiple audio sources in a handheld device of claim 5 wherein said priority logic unit further comprises a memory buffer capable of storing a portion of a signal from one of said source of said first audio signal and said source of said second audio signal.

8.   (Previously Presented)   A system for prioritizing multiple audio sources in a handheld device of claim 1 wherein an audible output generated by said output device consists of a single stereophonic channel.

9.   (Previously Presented)   A system for prioritizing multiple audio sources in a handheld device of claim 1 wherein said source of said first audio signal is a wireless broadcast.

10.   (Previously Presented)   A system for prioritizing multiple audio sources in a handheld device of claim 1 wherein said source of said first audio signal is a storage medium.

11.   (Previously Presented)   A system for prioritizing multiple audio sources in a handheld device of claim 10 wherein said source of said first audio signal is a digital storage medium.

12.   (Previously Presented)   A system for prioritizing multiple audio sources in a handheld device of claim 11 wherein said digital storage medium is a flash memory.

13.   (Previously Presented)   A system for prioritizing multiple audio sources in a handheld device of claim 10 wherein said storage medium is a removable storage medium.

14.   (Previously Presented)   A method for prioritizing audio sources and balancing a combined audio output in a handheld device comprising the steps of:

        a) establishing a priority for each possible pairing of a plurality of audio signals as a function of a source of each of said plurality of audio signals;

        b) adjusting a first and second one of said plurality of audio signals according to a nature of an output device utilized for rendering a resultant audible output signal and a first priority corresponding to said first and second one of the plurality of audio signals; and,

        c) combining the adjusted first and second one of the plurality of audio signals; and

        d) rendering available said resultant audible output signal from said step c).

15.   (Previously Presented)   The method of claim 14 wherein the step of adjusting said first and second one of the plurality of audio signals comprises setting a level of the first one of the plurality of audio signals with respect to a level of the second one of the plurality of audio signals in accordance with a predetermined ratio.

16-23. (Canceled).

24.   (Currently Amended)   A product having a computer readable medium containing executable instructions which, when executed in a processing system, causes the system to perform the steps prioritizing audio sources and balancing the audio sources in a combined audio output in a handheld device comprising:

        a) sensing the presence and amplitude of each audio signal generated by a plurality of audio sources;

b) adjusting each audio signal as a function of a nature of an output device and a priority rule applicable to each pairing of the audio signals;

c) combining each adjusted audio signal; and

d) rendering an audible resultant signal from said step *c)* on said output device.

25-27. (Canceled).

28. (Previously Presented) The product of Claim 24, wherein the computer readable medium further includes instructions for adjusting a first one of the audio signals by amplifying said first one of the audio signals.

29. (Previously Presented) The product of Claim 24, wherein the computer readable medium further includes instructions for adjusting a first one of the audio signals by attenuating said first one of the audio signals.

30. (Previously Presented) The product of Claim 24, wherein the computer readable medium further includes instructions for adjusting a first one of the audio signals by delaying in time said first one of the audio signals.

31. (Previously Presented) The handheld device of claim 1, wherein said output device consists of one or more of a speaker, a headphone jack and a line out.

32. (Previously Presented) The method of claim 14, wherein adjusting said first and second one of said plurality of audio signals comprises increasing or decreasing a volume level of said first one of said plurality of audio signals.

33. (Previously Presented) The method of claim 14, wherein adjusting said first and said second one of said plurality of audio signals comprises delaying in time said first one of said plurality of audio signals.